

## Phillips County

### Estimated Economic Contribution of Agriculture, Food, and Food Processing Sectors 6/27/2019

Using the most recent IMPLAN data available (2017) adjusted for 2019, 20 agriculture, food, and food processing sectors were analyzed to determine their overall contribution to the Phillips County economy.<sup>1</sup>

These 20 sectors have a total direct output of approximately **\$173.5 million** and support **830 jobs** in Phillips County. Running the model for all 20 sectors simultaneously produces the following results:

Agriculture, Food, and Food Processing Sector Contribution to Overall Phillips County Economy					
Contribution Type <sup>2</sup>	Employment	% Employment	Total Value Added <sup>3</sup>	Total Value Added % of Gross Regional Product <sup>4</sup>	Output <sup>5</sup>
<b>Direct Effect</b>	830.0	20.64%	\$54,467,104	18.23%	\$173,511,542
<b>Indirect Effect</b>	130.6	3.25%	\$10,033,606	3.36%	\$20,035,727
<b>Induced Effect</b>	46.6	1.16%	\$2,785,169	0.93%	\$5,437,901
<b>Total Effect</b>	1007.1	25.04%	\$67,285,879	22.53%	\$198,985,171

As shown in the above table, agriculture, food, and food processing sectors support **1,007 jobs**, or **25.04%** of the entire workforce in the county.

Another metric used to calculate the importance of sectors in an economy is their value added as a percentage of GRP. Total value added by the 20 agriculture, food, and food processing sectors is approximately **\$67.2 million**, or **22.53% of the GRP**.

The following tables document the top industries affected by employment and output, as well as a listing of all industries that were analyzed.

<sup>1</sup> Article on building a contribution analysis in IMPLAN that avoids double counting:

<https://implanhelp.zendesk.com/hc/en-us/articles/115002801513-Considerations-of-Contribution-Analysis>

<sup>2</sup> Direct, indirect, and induced effects sum together to estimate the total economic contribution in the state. **Direct effects** capture the contribution from agricultural and food products. **Indirect effects** capture the economic benefit from farms and agricultural businesses purchasing inputs from supporting industries within the state. **Induced effects** capture the benefits created when employees of farms, agricultural businesses, and the supporting industries spend their wages on goods and services within the state.

<sup>3</sup> Value added = labor income + indirect business taxes + other property type income.

<sup>4</sup> GRP = final demand of households + governments expenditures + capital + exports - imports - institutional sales.

<sup>5</sup> Output = intermediate inputs + value added.

In the top ten agriculture, food, and food processing sectors by employment, the beef cattle ranching and farming, including feedlots and dual-purpose ranching and farming sector is the top employer with **341 employees**. This table also shows the amount of jobs that are created by the agriculture industry in Phillips County.

Top Ten Agriculture, Food, and Food Processing Sectors by Employment		
Sector	Total Employment	Total Output
Beef cattle ranching and farming, including feedlots and dual-purpose ranching and farming	341.2	\$60,220,830
Support activities for agriculture and forestry	99.9	\$2,858,480
Landscape and horticultural services	95.9	\$5,485,906
Animal production, except cattle and poultry and eggs	75.4	\$11,589,255
Grain farming	55.3	\$28,723,429
Lawn and garden equipment manufacturing	40.7	\$19,076,296
Wholesale trade	40.7	\$6,405,410
Farm machinery and equipment manufacturing	32.3	\$14,135,781
All other crop farming	26.8	\$2,905,965
Truck transportation	19.6	\$2,888,065

The beef cattle ranching and farming, including feedlots and dual-purpose ranching and farming sector directly contributes approximately **\$60.2 million** to the Phillips County economy. The table below also shows the amount of revenue that is generated in other industries by having a strong agriculture industry.

Top Ten Agriculture, Food, and Food Processing Sectors by Output		
Sector	Total Employment	Total Output
Beef cattle ranching and farming, including feedlots and dual-purpose ranching and farming	341.2	\$60,220,830
Grain farming	55.3	\$28,723,429
Lawn and garden equipment manufacturing	40.7	\$19,076,296
Farm machinery and equipment manufacturing	32.3	\$14,135,781
Animal production, except cattle and poultry and eggs	75.4	\$11,589,255
Oilseed farming	7.3	\$10,546,189
Wholesale trade	40.7	\$6,405,410
Dairy cattle and milk production	18.6	\$6,124,931
Landscape and horticultural services	95.9	\$5,485,906
Animal, except poultry, slaughtering	8.1	\$4,991,483

Below is a summary of all agriculture data with employment levels and output level. These values can tell how many jobs are represented by each agriculture, food, and food processing sector and the output they contributed to the Phillips County economy.

<b>All Agriculture, Food, and Food Processing Sectors</b>		
<b>Sector</b>	<b>Total Employment</b>	<b>Total Output</b>
Oilseed farming	7.3	\$10,546,189.31
Grain farming	55.3	\$28,723,428.73
Vegetable and melon farming	0.8	\$120,012.36
Fruit farming	0.8	\$51,996.88
Tree nut farming	0.0	\$19.47
All other crop farming	26.8	\$2,905,964.85
Beef cattle ranching and farming, including feedlots and dual-purpose ranching and farming	341.2	\$60,220,829.01
Dairy cattle and milk production	18.6	\$6,124,930.86
Poultry and egg production	0.5	\$391,601.74
Animal production, except cattle and poultry and eggs	75.4	\$11,589,254.38
Support activities for agriculture and forestry	99.9	\$2,858,480.45
Other animal food manufacturing	1.1	\$1,302,206.04
Animal, except poultry, slaughtering	8.1	\$4,991,483.69
Bread and bakery product, except frozen, manufacturing	10.9	\$1,223,631.14
Frozen cakes and other pastries manufacturing	0.2	\$35,044.65
Fiber, yarn, and thread mills	12.5	\$3,560,869.46
Farm machinery and equipment manufacturing	32.3	\$14,135,781.29
Lawn and garden equipment manufacturing	40.7	\$19,076,295.85
Veterinary services	1.6	\$167,614.19
Landscape and horticultural services	95.9	\$5,485,906.12

All 105 counties in Kansas have an IMPLAN model and an agriculture, food, and food processing contribution summary. These values do not factor in the retail environment of food sales. Food retail is important, but in order to provide the most accurate picture of what production agricultural and processing contributes to Phillips County, the retail sector was omitted.